



Expansion Across America

Benefits

- ✓ Diversifies Membership
- ✓ Provides low cost financial services to the community
- ✓ Increases lending opportunities
- ✓ Promotes pride in the community

Highlights

- ✓ Simplified application process
- ✓ No geographical proximity requirements
- ✓ Graphical view of qualifying areas
- ✓ Simplified internet access to data

Expansion?

Have you thought about expanding your business? You can expand your field of membership without changing the basic nature of your charter. All federal credit unions may include, without regard to location, communities meeting the definition of an underserved area. NCUA has taken steps to simplify the application process for the addition of certain underserved areas. This brochure will show you how.

How?

Using the concept of investment areas, you can add geographical areas to your field of membership with relatively little effort. This brochure will show you how to identify investment areas anywhere in the United States. All you need is an internet connection or contact your examiner or regional office for assistance.

Where do I look?

Identifying investment areas is critical to this process and has been greatly simplified using the internet. Community Development Financial Institutions Fund (CDFI) is a bureau of Treasury and maintains a web site dedicated to identifying investment areas anywhere in the United States. This site provides graphical means to quickly locate counties and census tracts in your service area. Full supporting demographic data is available on-line and those counties or census tracts which qualify, are identified as investment areas. Using this tool, you can quickly identify investment areas in or near the area of interest.

How do I proceed?

NCUA has developed a web site that explains in detail how to begin the process for expansion into investment areas. The site has links to the CDFI web site as well as hints on how to best use the site to gather information. The CDFI site is an excellent starting point, and will, at a minimum, give you a picture of the investment areas in your region. NCUA's chartering manual provides streamlined procedures for you to add investment areas to your field of membership. In some cases, the site will supply all the information you will need to prepare your application to NCUA for expansion. In other cases, you will need more information to prepare your application and we provide links to other sources.

More Opportunities

Some communities lie entirely inside existing Federal Empowerment Zones or Enterprise Communities. This qualifies the community as an investment area. A quick visit to the HUD website will lead you to the federal Empowerment Zones and Enterprise Communities.

For complete details, visit our web site: <http://www.ncua.gov/org/orgchart/ocud/underserved.html>



Some details concerning the procedure:

The investment area must:

- ✓ Be based on a well-defined local community, neighborhood, or rural district
- ✓ Be well-defined using boundaries such as townships, cities, counties or political subdivisions thereof, or a census tract. This includes rivers, streets and forests.
- ✓ Meet one of the investment area criteria listed in Chapter 3, Section III, of NCUA's Chartering and Field of Membership Manual.

You are required to:

- ✓ Maintain a service facility in or near the investment area within two years.
- ✓ Develop a business plan specifying how you will serve the investment area.

You are no longer required to:

- ✓ Show that there are significant unmet needs for loans or equity investments.
- ✓ Show common interests or interaction among the residents in some investment areas depending on the population. NCUA has a streamlined process for adding investment areas meeting certain criteria. Chapter 3, Section III, of NCUA's Chartering and Field of Membership Manual contains more information on this subject.

Information required when submitting a request to add an underserved area to your field of membership.

- ✓ Information identifying the community you want to add.
- ✓ A map identifying the geographical boundaries of the community.
- ✓ Supporting data showing that the community qualifies as an investment area.
- ✓ A business plan for serving the area.

For Additional Information contact your regional office:



Region I Albany
Phone: 518-862-7400
E-mail: region1@ncua.gov

Region II Capital
Phone: 703-519-4600
E-mail: region2@ncua.gov

Region III Atlanta
Phone: 678-443-3000
E-mail: region3@ncua.gov

Region IV Chicago
Phone: 630-955-4100
E-mail: region4@ncua.gov

Region V Austin
Phone: 512-342-5600
E-mail: region5@ncua.gov

Region VI Pacific
Phone: 925-363-6200
E-mail: region6@ncua.gov

Office of Credit Union
Development

1775 Duke Street
Alexandria, Virginia 22314
Phone: 703-518-6610
Fax: 703-518-6619

Resources:

- ✓ CDFI web site: <http://208.46.39.70/cdfi2000/htmls/cdfiprogram2000.html>
- ✓ Census Bureau web site: <http://factfinder.census.gov>
- ✓ HUD web site: <http://www.hud.gov/ezec/locator>